

S&MM

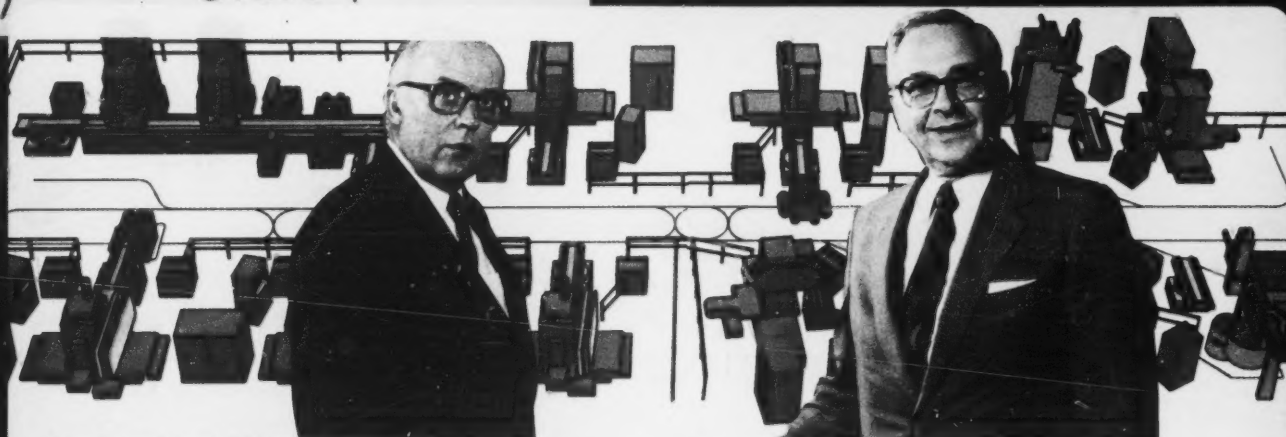
SALES & MARKETING MANAGEMENT

AN S&MM SPECIAL SECTION
TRADE SHOWS
The five-minute sales call
Page 57.

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A new order at Giddings & Lewis: The machine-tool maker, with a new owner and new president, is gearing up to sell manufacturing systems that U.S. com-

panies will demand to boost productivity. Marketers Mike Lindgren (l.) and Robert Chamberlain are the men on the spot at G&L. Page 43.

THOMAS REGISTER **A book to sell by**

Page 47.

EPCOT **Banking on tomorrow**

Page 50.

Pols & policies

How business executives rate them, from A to F

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Capital in the capitol. The Census Bureau ranks four Washington, DC, suburbs among the five richest. Page 12.

Lipton wrestles Gatorade, a drink for athletes, with Pripps Pluss. Page 13.

Signs of a recovery? That's what Worthington Industries' new orders indicate to the steel processor. Page 13.

Industrial marketers study a report that most manufacturers plan to boost shipments in 1983. Page 16.

Flashers need not apply, but ThermaSol gives rebates to those who disrobe to try its whirlpools. Page 16.

Co-op ads hit the space age. Marketers of computer and video-game software now offer dealers funds. Page 16.

Glad tidings to reps who sold Christmas Eve's theme items in 1982: there'll be more this Yule. Page 17.

If you're buying a word processor, beware of unkept promises. Page 17.

Green Spot's juice-in-a-box package is such a rage, the company may not have enough for its own juice line. Page 18.

How householders use money is the focus of new reports for market researchers. Page 18.

S&MM Marketgraph. As college students get older, marketers face a new challenge. Page 54.

Airline ticket sellers are no longer just travel agents, says the CAB. Page 82.

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What's coming up

Survey of Selling Costs. This year, S&MM expands its data on salespeople's compensation and incentive plans. Also, updated information on such basic expenses as meals, lodging, and travel. Feb. 21.

Duffy-Mott. Will the food company's one-year guaranteed commissions to its nationwide team of brokers help double sales? Some think not. Mar. 14.

An S&MM Special Section: Test Marketing. Marketers tell S&MM how they use their field salespeople to reach the goals they've set in test markets. Also: case histories and this magazine's favorite test market locations. Mar. 14.

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CHANGING MARKETS

America gets older . . .

Coming up for sales planners: a need to re-examine some assumptions about the U.S. population. The reason is the post-war years' topsy-turvy demographics—a baby boom followed by a baby bust—which will give the population change between now and the mid-1990s a lopsided cast. All age groups under 35 will either shrink, or grow at subpar rates, whereas the 35-and-older group will outrace the U.S. average.

The tilt, revealed in revised population projections issued by the U.S. Census Bureau that also predict that growth in the nation's population will slow to 11.9% in the 1982-95 period vs. 1970-82's 13.2%, implies a more conservative climate in the years ahead. (That isn't a certainty, however; the fastest-growing group, 35 to 44 year olds, is the one that unleashed the 1960s' social values.)

The 49% growth projected for the 35-to-44 age group, which will approach its peak income years, spells a strong underpinning of future consumer markets. On the minus side, a hefty

22% drop in 18 to 24 year olds means sales managers will be hard pressed to find sales trainees. This reduction in potential recruits could spur greater use of technology in field sales, pressure managers to hire more women and minorities (blacks' share of the 18 to 24 age group will actually rise from 16% to 19%), and, possibly, drive starting salaries sharply upwards.

Those in industries relying on cheap teen-age labor will face the same hiring headache as the base of 14 to 17 year olds dwindles by 6%. Indeed, competition for the smaller labor pool could make today's talk of a sub-minimum wage scale for teen-agers merely academic.

... and in some places, richer

The federal government's generous pay scales are dramatically highlighted by unpublished data from the 1980 Census. A special Census Bureau tabulation that ranks all U.S. counties according to their 1979 per capita income reveals that, among counties with more than 25,000 in population, four of the five richest are suburbs of Washington, DC.

Arlington, VA, leads the way

The richest counties

Rank	County/State	1979 Per Capita Income	% Increase 1969-79
1.	Arlington, VA	\$12,565	131%
2.	Marin, CA	12,525	161
3.	Montgomery, MD	12,339	138
4.	Alexandria City, VA	12,209	164
5.	Fairfax, VA	11,551	157
6.	Anchorage, AK	11,366	172
7.	New York, NY	10,889	109
8.	Johnson, KS	10,885	145
9.	Westchester, NY	10,744	112
10.	San Mateo, CA	10,690	135
11.	Oakland, MI	10,675	137
12.	Douglas, CO	10,522	221
13.	DuPage, IL	10,495	147
14.	Fairfield, CT	10,412	124
15.	Arapahoe, CO	10,222	168
16.	Bergen, NJ	10,206	125
17.	Lake, IL	10,164	143
18.	Somerset, NJ	10,148	148
19.	Midland, TX	10,084	190
20.	Nassau, NY	10,075	117

Source: Census Bureau, unpublished data.
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with a per capita income of \$12,565, compared to the all-U.S. figure of \$7,330. Other high-ranking bedroom suburbs where federal workers enjoy their largesse are third-place Montgomery, MD, \$12,339; fourth-place Alexandria City, VA, \$12,209, and fifth-place Fairfax, VA, \$11,551.

The only county that does as well as Washington, DC's golden circle is Marin, CA, a suburb in the San Francisco-Oakland metro market, and long celebrated in movies and novels as the symbol of the suburban lifestyle. Inhabitants there enjoyed a per capita income of \$12,525.

Compared to Washington, DC's 4 high-income counties, the New York metro market placed 3 among the top 20 and 3 other metro markets each placed 2: Chicago, Denver-Boulder, and San Francisco-Oakland. With the exception of New York County (better known as Manhattan), all of the counties are suburban enclaves.

The county with the highest per capita income? Bristol Bay

Tomorrow's population sweepstakes

Age Group	1982	1995	%Change	
	Pop. Est. (000)	Pop. Est. (000)	1982-95	1970-82
Under 14	47,781	53,058	+11.0%	-11.2%
14-17	14,952	14,072	- 5.9	- 6.0
18-24	30,345	23,683	-22.0	+22.9
25-34	39,477	40,489	+ 2.6	+56.1
35-44	28,137	41,994	+49.2	+21.6
45-64	44,473	52,329	+17.7	+ 6.0
65 & older	26,833	34,006	+26.7	+33.6
Total	231,997	259,631	+11.9%	+13.2%

Note: Details may not add to totals due to rounding. Data shown here are from the "middle" of three series of projections, and assume 1.9 births per woman, annual net migration of 450,000, and life expectancy of 79.6 years.

Source: Census Bureau, Projections of the Population of the U.S.: 1982 to 2050, Series P-25, No. 922.

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Borough in Alaska, with \$14,948. Reason: Although it has only 1,094 people, many are paid well above other Americans as inducements to get them to work there. 

NEW PRODUCTS

Lipton wants to wrestle a Gator

During the mid-1960s, a member of the Univ. of Florida's medical faculty formulated a drink for members of the school's Gators football team that restored depleted liquids and minerals. The rights to Gatorade were soon after sold to Stokely Van Camp, Indianapolis, which used them to create a new soft-drink category—isotonic beverages.

In the last decade and a half, no serious challenger appeared to wrestle with Gatorade. Result: Stokely sold \$90 million-worth of the drink last year, reflecting about 95% of the market. But a challenge will soon be issued by Thomas J. Lipton. The Northvale, NJ, food marketer is priming another isotonic beverage, Pripps Pluss, for a national rollout

this spring, putting a promotional budget in excess of \$6 million behind the brand as well as an extensive sales force.

Developed by Swedish beverage giant Pripps Bryggerier, Pluss has had a slow, cautious entry into the U.S. market. The brand started getting its feet wet two years ago in institutional markets, handled first by Penn Athletic, and now by Mueller Chemical, an athletic training room supplier. Having secured the endorsement of the National Basketball Assn. and a handful of pro sports teams, Pluss is now ready to go retail, says Mike Polauf, marketing director of Pripps, Inc., a U.S. subsidiary.

Lipton executives won't discuss their plans for Pluss, but early ads are expected to stress its "superior taste" and low-sodium content. To categorize the product, however, the ads will be forced to mention Gatorade. That's what happened in a Houston test more than a year ago, says Gatorade product manager Mike Yetter, who adds, "Pluss bombed." 

INDUSTRIAL SELLING

Worthington sees a light

Others in the heavy-metal industry are cutting their costs by reducing sales calls, but Worthington Industries salespeople are calling on more customers. Reason: The company has discovered that the now stronger auto industry is its best segment once again. In fact, orders at all seven of the Columbus, OH, company's steel-processing plants that turn out "intermediate" products for automakers and for other customers are up. Says chairman John H. McConnell, who himself makes sales calls from time



Chairman, sometimes salesman, McConnell ponders a recovery.

to time, "When a recovery begins, we see it first."

Not everything is rosy at Worthington, which also makes castings, plastic pipe fittings, and architectural glass. Thus it had only a 2% sales gain, to \$437 million, in fiscal year 1982, ended May 31, with profits dipping 16%, to \$19 million. So far, sales are down in fiscal year 1983, but Worthington expects to make up for that with the current order surge.

As one company spokesman sees it, Worthington's three-year \$15 million investment to upgrade its steel-processing plants is paying off now. Example: It can produce and deliver steel to automotive customers in as little as two weeks. Now, he says, "we have become inventory managers" for companies like GM. Its other 1,000 customers—most make consumer durables—also value that capability. Says one analyst, "Through its sales efforts, quality, and service during the recession, Worthington has picked up market share."

Another reason why salespeople call on more customers when things are down is that they receive profit-sharing benefits. This incentive is shared by all Worthington employees, including other sales divisions. For instance, if a steel salesperson sees that a customer's forklifts need new pro-



Pluss will vie with Gatorade for space on sports-team benches.

Quiet revolution on campus: An aging student body

The idea of college recruiters scouting for top-notch shuffleboard players may seem farfetched, but the campus market is moving in that direction as the student body ages. In contrast to the enrollment surge in the 1970s, the market will merely hold its own in the current decade. A big reason: the expected decline in the traditional college generation, 18 to 24 year olds. A rise in older students will just offset the decline. Thus marketers who woo the college

market on the premise that the young are forming brand loyalties will be challenged by older students who already have formed their buying habits.

The National Center for Education Statistics warns that two imponderables will influence future enrollment: teen-age employment prospects and cutbacks in federal financial aid. The center predicts that 1990 enrollment could range from 11.1 million to 15.4 million.

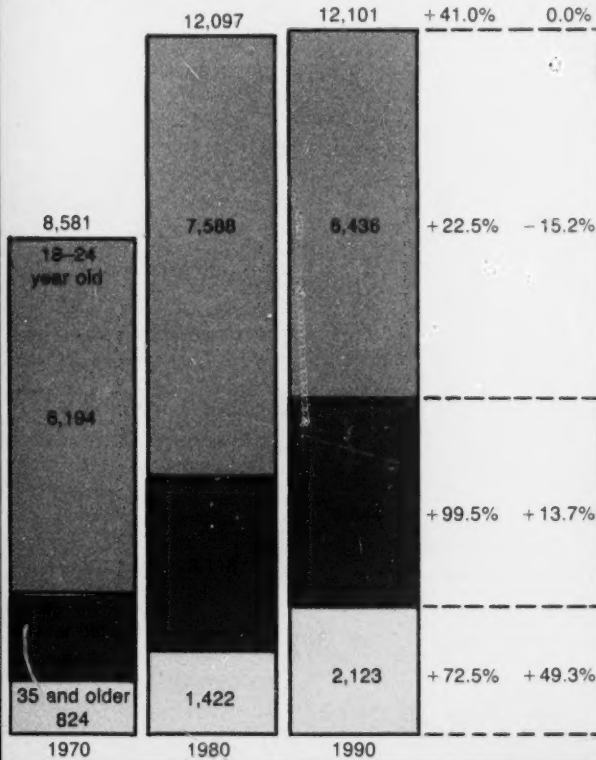
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Older students set the pace

College enrollment (000)

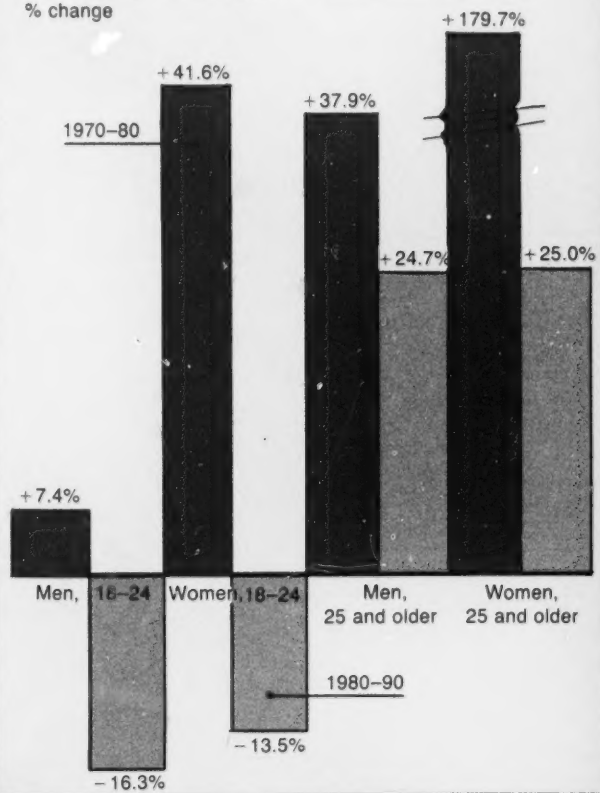
% change

1970-80 1980-90



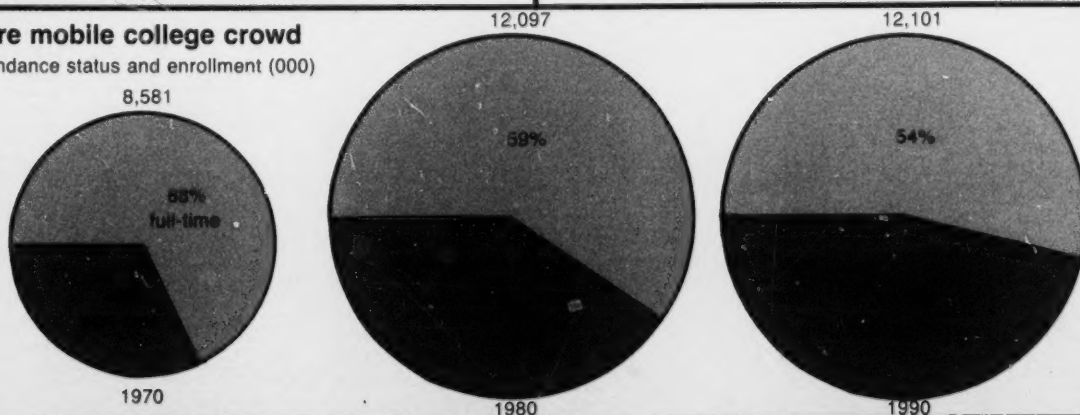
Emerging on campus: The older woman

% change



More mobile college crowd

Attendance status and enrollment (000)



Source: National Center for Education Statistics, *Projections of Education Statistics to 1990-91*, Vol. 1.
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